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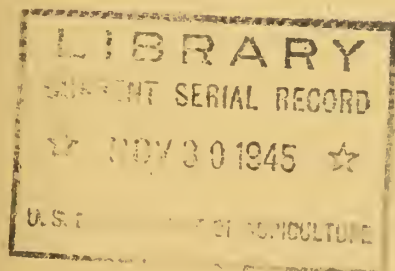
Foreign Crops and MARKETS



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APRIL 17, 1944



ISSUED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS - WASHINGTON, D. C.

Volume 48

Number 16

LATE FOREIGN DEVELOPMENTS . . .

AUSTRALIA BEGINS WHEAT SOWING

Fieldwork is progressing in Australia, with wheat seeding due to begin this month. Some increase in the wheat acreage is expected, according to trade reports.

ARGENTINE CORN PROSPECTS

The corn harvest, which has begun in Argentina, is progressing under generally favorable conditions. The crop was reported to have deteriorated to some extent during March in southwestern Buenos Aires, north central sections of Córdoba, and Santa Fe and in the Pampa, due to a lack of rainfall. In other sections of the country the condition is said to be good.

MEXICAN WEST COAST VEGETABLE SHIPMENTS

Carlot shipments of Mexican West Coast vegetables through the United States-Mexican border port of Nogales, Mexico, from the beginning of the current season up to March 15, 1944, were as follows, corresponding figures for the 1942-43 season being shown in parentheses: tomatoes 2,641 (3,281); green peas, 606 (684); green peppers 185 (157) and mixed vegetables, 34 (65); total 3,466 (4,137). It will be noted that the total number of carloads shipped this season up to March 15 was 721 less than was shipped for the same period last season.

CANARY ISLANDS EXPECT POOR ONION SEED CROP

The 1944 onion seed crop is expected to fall far below expectations at planting time due to a shortage of fertilizers and drought. Harvesting will begin next July. Encouraged by last year's high prices growers greatly increased their plantings this year. It is estimated that a total of 1,600,000 pounds of bulbs were planted. Under average conditions this should have resulted in a yield of at least 200,000 pounds of seed.

HUNGARIAN CROP REPORT

The official Hungarian crop report for the 4 weeks ended March 21 stated in summary as follows: The weather was unusually cold and rainy. This was unfavorable to the development of plants and the preparation of the soil for spring sowing. Winter rape came through the winter fairly well but the crop is irregular and sparse due to drought last fall and mice damage. The development of the winter wheat and rye crops was retarded by cold weather and some frost damage is reported.

It was possible to sow summer wheat, barley, and oats only sporadically. Soil preparation for corn has begun in a few places. Soil preparation for potatoes and sugar and fodder beets is progressing, but very little actual planting has been done to date. Fodder crops withstood the winter well, although they have not yet begun to develop. The feedstuff situation throughout the country is poor.

IRAN'S 1943 GRAIN PRODUCTION LARGE; 1944 SEEDING INCREASED

The 1943 grain production in Iran was considerably larger than average, according to recent reports. Wheat and barley, the two most important grains, were estimated at about 75 and 46 million bushels, respectively. These record or near-record outturns were attributed to unusually favorable weather conditions, and increased acreage. Sowings for the 1944 harvest are reported to exceed the large acreage harvested in 1943.

The current estimate of the wheat crop as reported at slightly over 2 million metric tons would indicate a crop of around 75 million bushels, compared with some 40 to 45 million bushels reported for 1942. The barley estimate of 46 million bushels in 1943 compares with harvests of around 26 million bushels for the 2 preceding years and is, at that figure, the largest barley production recorded. Estimates are at best only rough approximations, however, as reliable data for the entire country are not available.

The 1943 acreage of both wheat and barley shows some increase over that of recent years. This may presage some measure of success in the Government's program, inaugurated in 1940, to increase the production of these grains, along with other important crops. The sizable increase in the acreage seeded to barley for harvest in 1943, compared with previous years, may be considered an indication of some shift from wheat to barley.

Wheat is the principal crop of Iran and is grown in virtually all parts of the country. The most important wheat areas are, however, in the northeastern Province of Khurasan, in the western Provinces, Azerbaijan, Kermanshah, and Khuzistan, and in Fars in the south. Barley is grown in the same areas as those producing wheat. A shift from one of these grains to the other, thus presents no particular difficulty.

In the present instance the change is said to be induced by the more profitable price offered for barley and the possibilities for admixture of quantities of barley with wheat in the bread. Utilization of wheat in Iran is largely for bread, which is the mainstay in the diet of the population. The collection of adequate supplies of both wheat and barley to ensure bread for the urban centers was accomplished with considerable difficulty during 1943. The main problems to be overcome were the transportation shortage and hoarding.

Though collections early in the season were slow, the situation during the latter part of the year was said to be satisfactory. It was during the past 6 months that the increased admixture of barley with wheat was most marked, especially in the cities where all-wheat bread had formerly been most common. This trend is expected to develop further with the increased barley acreage in relation to wheat. Seed requirements from the 1943 wheat production are placed at about 15 million bushels.

The bulk of the barley crop is ordinarily utilized as feed, though an increasing amount has been used in the bread, especially in urban communities. Aside from feed uses, it is estimated that about 3.5 million bushels will be used in bread making and about 9 million bushels for seed.

Domestic trade in wheat and barley is a monopoly of the Iranian Government. Stocks of grain collected were believed to be sufficient to tide the country over until grain of the 1944 crop reaches the market. The harvest normally begins in April. Deliveries to Tehran, where the shortage was especially acute earlier, were reported to be at a rate which permitted building up some emergency reserves there. Stocks still in the hands of producers are said to be high, estimates indicating that as much as 50 percent of the production of both grains is in that position.

There has been no foreign trade in wheat and barley recently. Exports are prohibited, and no imports have been reported for over 6 months. During the pre-war period (1934-1938) exports of wheat averaged around 800,000 bushels and barley exports averaged almost 600,000 bushels. During 1939-1943, however, the wheat trade was reversed, showing imports averaging almost 1,000,000 bushels.

Grain prices for the year ending March 1944 were fixed at varying levels in different parts of the country. Wheat prices ranged from 2,500 rials per metric ton (\$2.31 per bushel) in parts of the Eastern Provinces to 4,000 rials (\$3.69) in Khuzistan with the average for the country placed at 3,000 rials (\$2.77). Barley prices during the same period averaged 2,250 rials (\$1.66 per bushel) which is more of an increase over the previous year's figure than the price fixed for wheat. The higher price has, in addition to increasing barley acreage, stimulated marketings of this grain and increased the proportion of barley in the grain supplies at urban points.

Wheat is milled at an estimated 80-percent extraction ratio, while barley is estimated at 75 percent. Apparent per capita consumption of wheat during the 1934-1938 period was estimated to average about 205 pounds annually, net basis. Barley during that period was placed at about 16 pounds but has probably risen considerably above that figure with the increased admixture rate in the cities.

EGYPT CHANGES BREAD COMPOSITION

The composition of the war bread in Egypt was changed in early February and, beginning with that period, bread will be made of 80 percent wheat and 20 percent barley, according to recent reports. This is an increase in the amount of barley in the bread, the previous fixed proportions decreed being 90 percent wheat to 10 percent barley.

The measure is reported as a means of preventing bread prices from rising with a proposed increase in wheat prices, since the price of barley flour is somewhat lower than that of wheat flour. In 1943 Egypt reported a near-record barley crop and with adequate supplies on hand the increased amount could be utilized for food without jeopardy to the feed position. Usually about 85 percent of the crop is used as feed.

FRUITS, VEGETABLES, AND NUTS . . .

Fred A. Holz, in charge

CYPRUS ORANGE CROP POOR - LEMON CROP GOOD

Spring frosts and heavy infestations of red mites resulted in another poor crop of oranges in Cyprus last year. The 1943 lemon crop, however, was good. Commenting on crop outturns during the past three years the Department of Agriculture at Nicosia, Cyprus, stated that drought during the winter and spring (1940-1941) and a resulting serious diminution in irrigation water supplies caused a large reduction in the 1941 orange and lemon crops. The crop that year was affected also by heavy infestations of fruit fly and a heavy June drop. The 1942 crop was very poor due to bad flowering because of frost and winds.

The following table shows the quantities of oranges and lemons produced in Cyprus during the 5 years (1939-1943).

CYPRUS: Orange and lemon production, 1939-1943 2/

FRUIT	1939	1940	1941	1942	1943
	<i>Boxes</i>	<i>Boxes</i>	<i>Boxes</i>	<i>Boxes</i>	<i>Boxes</i>
Oranges	600,000	550,000	400,000	250,000	300,000
Lemons	45,833	44,558	33,333	30,556	55,556

Compiled from consular report.

2/ Converted from number of fruits as follows: Oranges, 200 to box; lemons, 360 to box.

Cyprus orange and lemon exports are now practically negligible due to war conditions, especially the lack of shipping facilities. On the other hand, local consumption, especially of oranges, has increased considerably during the past few years, mainly because of the increased number of military personnel stationed on the island. Prices of citrus fruits for local consumption were fixed by the Cyprus Government during the latter part of 1943.

While there are no reports as yet relative to 1944 crop prospects, the condition of the orange and lemon groves was said to be good. The market outlook for the coming season, however, is very poor, chiefly because of lack of shipping facilities. It is expected that most of the orange crop will be consumed locally. In the absence of export facilities a part of the lemon harvest will remain unsold.

SPANISH FILBERT CROP FOR 1944 REPORTED NORMAL

Unlike almonds, the 1944 filbert crop in Spain has not suffered damage by severe frost. A normal crop of about 25,000 short tons, unshelled basis, is expected. As in the case of almonds, the filbert market is dull, due mainly to the shortage of shipping facilities.

UNITED STATES WOOL BUYERS INACTIVE IN ARGENTINE MARKET

United States buyers were reported as extremely inactive in the Argentine wool market in the latter part of February. This inactivity was caused mainly by the fact that more wool had already been purchased than shipping space could accommodate as far into the future as July or even later.

An element of uncertainty concerning future United States demand for Argentine wool has been introduced into the Argentine market as a result of the public sale of Government-owned stock-pile wool in the United States. Requirements of the local industry had maintained a firm market through January, but the absence of any considerable export demand during February and March has resulted in some weakness in the market.

The price of finer wools has been maintained better than that of the coarser wools. The price of fine wool in January was still above the corresponding price a year ago and also considerably above the average for that month for the years 1936-1940. Prices of fine and medium crossbred were slightly below a year earlier and also under the pre-war average.

During the past year speculative interest in coarse wool has been an important factor in maintaining the price of that type of wool but at a level considerably below pre-war.

The January prices, in cents per pound, grease basis, at the Central Produce Market, Buenos Aires, with corresponding prices for 1943 and the 1936-1940 average in parentheses were as follows: Fine wool, 24.4 (20.7 and 18.7); fine crossbred 19.6 (20.3 and 21.4); medium crossbred 14.7 (16.2 and 19.6); coarse crossbred 9.7 (9.1 and 18.9) and Criolla (native coarse wool), 10.9 (8.1 and 18.5.)

Argentine exports of wool in the first 6 months of the current season, through March are estimated at 124 million pounds and exceed the small shipments for the corresponding period of last season by 13 percent. Notwithstanding this increase in shipments, apparent supplies for export for the remainder of the 1943-44 season are of record proportions. This is due, primarily, to the unusually heavy stocks of wool (mainly coarse crossbred) in Argentina at the beginning of this season (October 1943) and to the fact that exports, although above last year, are still much below normal.

The United States has taken 110 million pounds, or the bulk of the exports, as in other war years but the percentage taken by this country has been decreasing as have exports to Sweden. At the same time exports to other countries have been increasing.

During the first 6 months of the current season, 14 million pounds of wool was shipped to countries other than the United States compared with 9 million

pounds and 10 million pounds, respectively, in the corresponding period of 1942-43 and 1941-42. Figures giving exports to all countries are available only for the first 4 months of the current season but they show that of 10 million pounds shipped to other countries, Mexico took 6 million pounds. Brazil and Mexico are the principal Latin American destinations for Argentine wool exports, although the quantities taken by these countries still are relatively small.

ARGENTINA: Wool exports October-March 1941-42 to 1943-44

PERIOD	TO UNITED STATES			TOTAL		
	1941-42	1942-43	1943-44	1941-42	1942-43	1943-44
	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds
October-January	95,576:	49,784:	76,797:	102,007:	55,108:	67,571
February	12,769:	10,034: ^{a/}	17,116:	13,591:	12,509: ^{a/}	19,667
March	11,352:	14,779: ^{b/}	16,073:	14,379:	15,973: ^{b/}	16,927
	:	:	:	:	:	:
Total October-March ..	119,697:	74,597:	109,986: ^{c/}	129,977: ^{d/}	83,590: ^{e/}	124,165
	:	:	:	:	:	:

Compiled from official sources.

^{a/} Shipments as reported by cable for 4 weeks ended February 25.

^{b/} Shipments for 4 weeks ended March 24.

^{c/} Includes 10,290,000 pounds exported to other countries, 42 percent of which was to Europe, principally Sweden, 37 percent to other Latin American countries, chiefly Brazil, Mexico, and Chile, 14 percent to Japan, and 7 percent to the Union of South Africa.

^{d/} Includes 8,993,000 pounds to other countries, 21 percent of which was to Sweden; 78 percent to Latin America principally to Brazil, Mexico, Bolivia, and Chile; and 1 percent to the Union of South Africa.

^{e/} Includes 14,179,000 pounds to other countries but details not available by country. In the October-January period, 10,774,000 pounds went to other countries, 19 percent to Sweden and 31 percent to other Latin America, with Mexico alone taking 55 percent of the total shipped to countries other than the United States.

Commercial stocks of wool on hand in Argentina totaled 297 million pounds on January 1, 1944, an increase of 65 percent above the quantity on hand on the corresponding date of 1943. The quantity already sold and stored for occupied continental European countries for post-war delivery and for other countries including the United States totaled roughly 60 million pounds, or 21 percent of the total. This is an increase of 27 million pounds above 1943, most of which increase probably consists of coarse wool stored for United States owners. There was a large reduction in the quantity of wool in the hands of consignees and, conversely, an important increase in the quantity held by dealers as compared with a year earlier.

About one-third of the quantity of unsold wool on hand, amounting to 227 million pounds was second clip wool. Stocks of unsold coarse crossbred totaled 39 million pounds compared with only 16 million pounds on the same date of 1943.

**ARGENTINA: Commercial Stocks of sold and unsold wool held by
different interests, monthly October 1941-January 1944**

BEGINNING OF MONTH	EXPORTERS CURRENT	CON- STORED a	DEALERS SIGNEEES b	SCOURING MILLS c	MANUFAC- TURERS	PACKING PLANTS	PULLER- IES	TOTAL
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
1941-42	:	:	:	:	:	:	:	:
October ...	11.4:	21.6:	7.0:	2.3:	10.3:	9.3:	2.6:	65.2
November ..	17.8:	22.1:	19.3	:	11.3:	8.2:	3.1:	82.4
December ..	27.6:	25.2:	40.6	:	12.7:	8.4:	3.4:	118.5
January ...	42.6:	28.1:	43.1:	3.0:	16.4:	9.2:	3.2:	146.3
February ..	51.5:	27.7:	50.0:	4.4:	20.7:	8.8:	2.6:	166.4
March	50.4:	27.4:	59.6:	3.7:	21.1:	12.9:	2.7:	172.4
April	58.2:	28.0:	60.8:	5.9:	25.5:	12.7:	3.4:	195.2
May	64.3:	30.0:	70.6:	5.8:	26.5:	17.2:	4.9:	220.1
June	60.7:	25.8:	71.3:	6.1:	28.2:	16.9:	5.9:	215.8
July	43.7:	28.9:	64.6:	4.7:	25.8:	16.6:	4.9:	190.4
August	34.9:	27.8:	60.3:	5.0:	21.3:	17.5:	6.0:	173.9
September :	33.6:	27.1:	50.6:	4.4:	17.7:	13.6:	6.7:	154.7
	:	:	:	:	:	:	:	:
1942-43	:	:	:	:	:	:	:	:
October ...	34.2:	26.5:	36.9:	3.6:	17.5:	15.6:	6.3:	141.6
November ..	31.7:	25.2:	35.3:	3.0:	17.4:	13.9:	8.2:	135.7
December ..	35.2:	31.5:	39.7:	3.5:	18.5:	11.8:	8.8:	150.0
January ...	41.6:	32.3:	53.5:	4.8:	20.4:	10.4:	9.8:	173.7
February ..	44.0:	35.1:	61.6:	6.4:	22.7:	9.7:	10.4:	191.0
March	50.2:	41.3:	61.5:	4.7:	24.2:	11.3:	11.1:	205.2
April	58.5:	42.3:	60.3:	6.4:	27.5:	10.3:	12.1:	218.7
May	66.9:	47.5:	65.5:	7.7:	29.0:	10.9:	13.3:	242.0
June	64.2:	46.2:	56.0:	7.6:	26.6:	9.2:	14.0:	225.1
July	62.9:	48.7:	39.5:	8.3:	29.8:	10.2:	13.8:	214.1
August	65.0:	52.5:	33.3:	13.2:	30.7:	13.1:	15.3:	223.9
September :	59.5:	53.2:	25.9:	13.7:	28.0:	12.2:	17.4:	210.6
	:	:	:	:	:	:	:	:
1943-44	:	:	:	:	:	:	:	:
October ...	59.0:	52.7:	23.3:	15.8:	23.4:	15.3:	19.8:	210.1
November ..	65.6:	58.2:	26.4:	12.9:	22.6:	16.5:	20.6:	223.6
December ..	63.0:	59.3:	49.1:	15.9:	23.2:	15.8:	19.7:	246.7
January ...	78.4:	59.5:	17.2:	69.2:	24.4:	17.3:	19.8:	286.6
	:	:	:	:	:	:	:	:
	:	:	:	:	:	:	:	:

Compiled from official sources.

a/ Stored for occupied European countries for post-war delivery, and for other countries including the United States.

b/ Consignees handle wool for producers, and sell in the Central Produce Market to local dealers. Buyers from abroad rarely buy at the Central Produce Market.

c/ Dealers who buy at the Central Produce Market and sell to wool merchants in Argentina or to foreign buyers.

GENERAL AND MISCELLANEOUS

FOREIGN EXCHANGE

EXCHANGE RATES: Average value in New York of specified currencies,
week ended April 8, 1944 with comparisons a/

COUNTRY	MONETARY UNIT	YEAR 1943	MONTH				WEEK ENDED		
			1942	1943	1944		1944		
			MCH.	MCH.	FEB.	MCH.	MCH.	APR.	APR.
			Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina b/	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
		c/							
Australia	Pound	322.80	321.50	322.80	322.80	322.80	322.80	322.80	322.80
Brazil d/	Cruzeiro	5.13	5.14	5.13	5.13	5.13	5.13	5.13	5.13
British India	Rupée	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12
Canada e/	Dollar	89.98	87.67	89.92	89.59	89.33	89.25	89.36	89.57
Colombia f/	Peso	57.26	57.00	57.23	57.28	57.28	57.28	57.28	57.28
Mexico	Peso	20.58	20.57	20.57	20.58	20.58	20.58	20.58	20.58
New Zealand	Pound	324.20	322.78	324.42	324.42	324.42	324.42	324.42	324.42
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
		c/							
United Kingdom	Pound	403.50	403.48	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay g/	Peso	52.86	52.72	50.80	52.94	52.95	52.95	52.96	52.96

Federal Reserve Board.

a/ Moon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Quotation of free rate discontinued after February 1, 1943.

d/ Free. Prior to November 1, 1942, the official designation of the Brazilian currency unit was the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.41 cents in 1943, the value of the cruzeiro 5.41 in March 1944 and 5.41 during the week ended April 8, 1944. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Quotations nominal.

g/ Noncontrolled. Quotations nominal.

EXCHANGE RATES: Average value in New York of Chinese, Japanese, and some European currencies during last full months for which rates were available, and current official rates

COUNTRY	UNIT	NEW YORK RATES ^{a/}		CURRENT
		MONTH	RATE	
			Cents	Cents
Belgium	Belga	April 1940	16.89	16.00
Denmark	Krone	March 1940	19.31	20.88
France	Franc	May 1940	1.85	2.00
Germany	Räichsmark	May 1941	39.97	40.00
Greece	Drachma	September 1940	0.66	0.67
Italy	Lira	May 1941	5.09	5.26
Netherlands	Guilder	April 1940	53.08	53.08
Norway	Krone	March 1940	22.71	22.86
Portugal	Escudo	May 1941	4.00	6.67
Spain	Peseta	May 1941	9.13	9.13
Sweden	Krona	May 1941	23.84	23.81
Switzerland	Franc	May 1941	23.20	23.20
China	Yuan (Shanghai)	June 1941	5.34	5.31
Japan	Yen	June 1941	23.44	23.44

^{a/} Noon buying rates for cable transfers as reported by Federal Reserve Board. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner; on May 9, 1940, for the belga and guilder; on June 15, 1940, for the French franc; on October 25, 1940, for the drachma; on June 14, 1941, for the other above-mentioned European currencies; and on July 26, 1941, for the yen and yuan (Shanghai).

^{b/} Based on German official rate for United States dollar.

^{c/} Based on German official rate for United States dollar in occupied area; in unoccupied area, official rate of 2.28 cents.

^{d/} Quotations nominal.

^{e/} Rate for currency; for checks, 4.09 cents to the escudo.

^{f/} Rate set August 18, 1941, by Chinese Stabilization Board.